The Story OF "SILENT" SMITH and His Millions

IN his lifetime James Henry Smith—known as "Silent" Smith to his associates—was understood to be a man with a secret. His manner contributed freely to that view of him. He was noncommittal to the verge of rudeness when the conversation became personal. Even those who were associated with him in business professed to be ignorant of his actual development, his gradual evolution from a poor boy into a middle aged man of ample fortune, which was finally swollen to enormous proportions by an inheritance from a multimillionaire relative.

It was only after he became rich enough to be ranked as one of America's seven greatest money kings that Smith began to show a disposition to emerge from his self chosen obscurity. Even then he did not leap at once into the social whirl that spun itself so alluringly before his untrained eyes. He was very cautious, not at all ready to accept what was offered until he had satisfied himself that it was genuine.

But the public would not have it that way. It insisted that the man who had been made one of its seven greatest magnates should not relinquish his mystery, that he should still be "Silent" Smith. He became more mysterious than ever in the eyes of the world, and all his deeds were chronicled in the daily press as instinct with occultism. "Again has James Henry Smith proved the fitness of his sobriquet," it was announced one morning. "Without a word of warning, without a hint to the trustees, he has showered on St. Luke's hospital $500,000 to be used as a building fund to perpetuate the memory of George Smith, the uncle from whom he inherited his immense fortune. The officers of the institution are still rubbing their eyes and wondering if it is really true, like the children in the fairy tales, as they gaze upon the silent one's curt letter in which the splendid offer is made. The financiers of Wall street have another reason to stare curiously when the man of millions and mystery hurries along the crowded thoroughfare."

The Real Mystery.

There was more mystery in that newspaper item than was known to the one who wrote it. The only mystery that James Henry Smith ever willfully promoted was hidden in that apparently straightforward paragraph referring to George Smith, "the uncle from whom," etc., for, as everybody knows now, the man who left his millions to James Henry Smith was not his uncle, but only a distant cousin. And that is the tame solution of the mystery of "Silent" Smith, an ending that might be made of many of the "mysteries" of purely journalistic origin.

This George Smith, the man who accumulated the bulk of the treasure that ultimately came into the possession of his cousin's children, the late James Henry Smith and Lady Cooper, was a character worth studying. He was one of Chicago's famous eccentrics in the rough and ready antebellum days. It used to be said of him among his rather irreverent business associates that he moved "in a mysterious way his wonders to perform." The paraphrase was exceedingly apt, for he seemed to possess some hidden magical way of making money, living like a hermit, shunning his fellows, uncommunicative as the tomb, stealthy as a spy within the enemy's lines. Those who knew him best regarded him as a species of amiable Grandet, Balzac's famous miser, without that old scoundrel's agonizing lust for gold and doubtful ways of getting it.

MRS. JAMES HENRY SMITH. "SILENT" SMITH. LADY COOPER.

The Founder of the Estate.

George Smith was a native of Aberdeenshire, Scotland, born in 1808. When he was a young man he made up his mind to study medicine and went to Aberdeen university to prepare himself. In two years his eyes failed him, and he was obliged to give up the plan of becoming a professional man. About that time he came into the possession of a small legacy, and he concluded to try his fortune in America. He landed in Chicago in 1834 and invested what he had in city lots which were so remote from civilization that his friends marveled that a Scotchman should exhibit such poor business ability. Smith said nothing, but put all his earnings in the swampy wastes along the lake shore.

He also became the owner of large plots of the land on which the city of Milwaukee now stands. That he did not foresee the coming greatness of these two lake cities is apparent from the fact that two years after arriving he sold his holdings in both places for one-quarter in cash and the balance in notes and returned to Scotland. The financial depression of 1837 made it necessary for him to return to Chicago in order to save anything from the wreck. He was obliged to take back all the land he had sold, and he regarded it as a great hardship.

Some of Smith's Scotch friends came to his assistance, and he weathered the blast. The situation grew better, and in time the Aberdeenshire contingent began to branch out a bit. Smith founded the Wisconsin Marine and Fire Insurance company, of which Alexander Mitchell was the first secretary. In 1839 under the style of George Smith & Co., the first banking house ever started in the city of Chicago opened its doors for business. At that time the country was practically destitute of good money, and Smith took advantage of that fact to establish a form of currency of his own. The Wisconsin Marine and Fire Insurance company secured the privilege of receiving deposits and of issuing certificates to the extent of $1,500,000. These certificates soon became legal tender in Wisconsin and Illinois. Finally a panic caused the directors of the insurance company to withdraw, and Smith purchased their stock at par and became sole proprietor of the institution.

In spite of the fact that the Smith currency was rather informal and was constantly attacked by the state banks it continued to be legal tender until 1850, when a new banking law was passed which shut it out. Many attempts were made by rival banking interests to drive the clear headed Scotchman from the field, but none succeeded. While the certificates were in circulation it was a favorite trick of his business enemies to collect large quantities of them and to present them at the office in Milwaukee for redemption, hoping to find Smith unprepared.

Established a Bank.

In 1852 Smith established the Bank of America in Washington and two banks in Georgia, one at Atlanta, the other at Griffin. These southern banks were used principally as banks of issue, large quantities of notes being signed at them and shipped to George Smith & Co. at Chicago for circulation. This stroke of business excited the animosity of the other Chicago bankers, and they combined to break the Smith institutions. They sent an agent to Georgia to raid the banks, but he found them prepared to meet him. Smith had been informed of the projected raid, and he had furnished enough funds to meet any demand. Moreover, he made the schemers heartily sick of their job by arranging it so that his cashiers paid all demands in small specie. When the agent went back to report, he was the custodian of a store of pennies and small silver coins that would have burdened a pack mule. The agent, who was none other than Elihu Washburne, afterward minister to France, never heard the last of that attempt to break Smith's banks.

By 1858 Smith had made so much money that he was ready to retire. He closed out all his banking interests just before the breaking out of the civil war and invested largely in railroad securities, which were then low in price on account of the unsettled condition of the country. As an instance of his close dealing it is related that when he and his partner, Alexander Mitchell, were settling their affairs Smith paused after he had accounted for the most minute detail and said anxiously, "By the way, Aleck, we have entirely overlooked the bedclothes upstairs." So the two financiers ascended to the room over the bank which they inhabited and divided the blankets.

Realized at Last.

Smith returned to Europe with a fortune of $10,000,000 and took up his residence at the Reform club in London. The latter part of his life was the fulfillment of the desire of his early days. "When I make my fortune," he used to say, "I will go to London and live in quiet leisure. I shall have a seat at the table when the politicians are telling their stories, but I shall not say a word. I shall never lack for good books to read and shall have plenty of time to do them justice. That is my ideal way of living."

Parsimonious as he was undoubtedly and dominated by the spirit of acquisitiveness to an extent that was all compelling, George Smith never relinquished his Scotsman's loyalty to his kin. It was this that made him undertake the education of the two older children of his cousin George, who had come to America in 1840 and was settled on a farm at Milburn, Ill. The father of this other George Smith, it seems, had befriended the rich man in his youth, and his splendid return for that old time benefaction was the treasure that fell to the man and woman whom until now the world has believed to be his nephew and niece, the late James Henry Smith and Lady Cooper.

T. A. ATWATER.

BIGGEST FARMS IN THE WORLD.

The biggest farms in the world are in South Australia, where the average squatter holds 78,000 acres.